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BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 97-240-C - ORDER NO. 97-786  
SEPTEMBER 12, 1997

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IN RE: Application of GTE Communications Corporation (formerly known as GTE Card Services, Inc. D/B/A GTE Long Distance) for a Certificate of Public Convenience and Necessity to Provide Local Exchange Telecommunications Service throughout the State of South Carolina. ) ORDER  
) APPROVING  
) CERTIFICATE  
) TO PROVIDE  
) LOCAL SERVICE  
)  
)

This matter comes before the Public Service Commission of South Carolina ("the Commission") by way of the application of GTE Communications Corporation (formerly known as GTE Card Services, Incorporated d/b/a GTE Long Distance ("GTECC" or "the Company"). The Application requests that the Commission amend GTECC's Certificate of Public Convenience and Necessity to allow GTECC to provide local exchange and exchange access telecommunications services in the State of South Carolina within all those territories currently served by nonrural LECs. The Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1996), and the Regulations of the Commission.

By letter dated May 29, 1997, the Commission's Executive Director instructed GTECC to publish, one time, a prepared Notice of Filing and Hearing in newspapers of general circulation in the areas affected by the Application. The purpose of the Notice of

Filing and Hearing was to inform interested parties of the manner and time in which to file the appropriate pleadings for participation in the proceedings and to provide notice of the hearing date on this matter. GTECC complied with this instruction and provided the Commission with proof of publication of the Notice of Filing and Hearing. A Petition to Intervene was received from the South Carolina Telephone Coalition ("SCTC").

A hearing was convened on September 4, 1997, at 11:30 a.m. in the Commission's Hearing Room. The Honorable Guy Butler, Chairman, presided. GTECC was represented by Faye A. Flowers, Jr., Esquire. The Commission Staff ("Staff") was represented by Florence P. Belser, Staff Counsel. The SCTC did not appear at the hearing.

In support of its Application, GTECC presented Paul Fuglie, Assistant Vice President and Director - Regulatory of GTECC, to testify. The purpose of Mr. Fuglie's testimony was to provide an overview of GTECC, to describe the services GTECC seeks to offer in South Carolina, and to demonstrate that GTECC has the technical, managerial, and financial abilities to provide local exchange and exchange access telecommunications services in South Carolina.

#### DISCUSSION

S.C. Code Ann. §58-9-280 (Supp. 1996) provides that the Commission may grant a certificate to operate as a telephone utility ... to applicants proposing to furnish local telephone service in the service territory of an incumbent LEC.

After full consideration of the applicable law, GTECC's Application, and the evidence presented at the hearing, the Commission finds and concludes that the Certificate sought by GTECC should be granted. The Commission's determination is based on the following criteria as provided in S.C. Code Ann. §58-9-280 (Supp. 1996) and the evidence presented at the hearing which relates to that criteria:

(1) The Commission finds that GTECC possesses the technical, financial, and managerial resources sufficient to provide the services requested. S.C. Code Ann. §58-9-280(B)(1) (Supp. 1996). To demonstrate GTECC's technical qualifications, Mr. Fuglie testified that GTECC is currently providing resold interexchange services in all fifty states and that GTECC has been granted authority to provide local exchange service in Tennessee, Florida, North Carolina, California, Washington, and Indiana. Further, Mr. Fuglie testified that GTECC is an experienced telecommunications provider and is one of the nation's leaders in cellular communications.

Concerning GTECC's managerial qualifications, the record reveals that GTECC's management team has considerable telecommunications experience. Regarding GTECC's financial resources, the record reveals that GTECC is organized under the laws of the State of Delaware. Mr. Fuglie testified that GTECC has sufficient financial resources to provide local services. GTECC is a wholly-owned subsidiary of GTE Information Services Incorporated which is a wholly owned subsidiary of the parent

corporation, GTE Corporation. Mr. Fuglie stated that GTECC has the financial backing and support of its parent company. No other party offered any evidence in opposition to Mr. Fuglie's testimony. Based on the undisputed evidence of the record, the Commission finds that GTECC possesses the technical, financial, and managerial resources sufficient to provide the services requested.

(2) The Commission finds that GTECC will provide services that will meet the service standards of the Commission. S.C. Code Ann. §58-9-280(B)(2) (Supp. 1996). Mr. Fuglie testified that GTECC seeks to provide local exchange telecommunications services. Mr. Fuglie specifically stated that GTECC will comply with all applicable rules, policies, and statutes applicable to the offering of those services and that GTECC fully intends to meet the Commission's service standards. Furthermore, counsel for GTECC stated that GTECC would make certain changes to its tariff, as suggested by Staff, to bring the tariff into compliance with Commission Rules and Regulations. No party offered any evidence to dispute Mr. Fuglie's testimony. Based on the undisputed testimony from Mr. Fuglie, the Commission believes, and so finds, that GTECC will provide telecommunications services which will meet the service standards of the Commission.

(3) The Commission finds that GTECC's "provision of service will not adversely impact the availability of affordable local exchange service." S.C. Code Ann. §58-9-280(B)(3) (Supp. 1996). Mr. Fuglie stated that GTECC's service offerings would not —

adversely impact the availability of affordable local exchange service. Mr. Fuglie stated that increased competition can be expected to lower the cost of local service to the customers. Further, Mr. Fuglie offered that competition will also provide an incentive for carriers to offer the most up-to-date technologies and services. No party offered any evidence that the provision of local exchange service by GTECC would adversely affect local rates. Therefore, based on the undisputed evidence of record, the Commission finds that provision of local exchange services by GTECC will not adversely impact affordable local exchange service.

(4) The Commission finds that GTECC will support universally available telephone service at affordable rates. S.C. Code Ann. §58-9-280(B)(4) (Supp. 1996). Mr. Fuglie testified that GTECC will comply with the Commission's universal service requirements. No party disputed Mr. Fuglie's testimony. Based on the undisputed evidence of record, the Commission finds that GTECC will participate in support of universally available telephone service at affordable rates.

(5) The Commission finds that the provision of local exchange service by GTECC "does not otherwise adversely impact the public interest." S.C. Code Ann. §58-9-280(B)(5) (Supp. 1996). Mr. Fuglie offered that approval of GTECC to provide services will benefit consumers by ensuring competitive local service within the State of South Carolina. Mr. Fuglie also offered that approval of GTECC to provide local service would promote competition within the telecommunications industry resulting in the offering of

higher quality services at lower prices. Mr. Fuglie's testimony was undisputed as no party offered any evidence that approval of GTECC's Application would adversely impact the public interest. Therefore, the Commission finds that approval of GTECC's Application for a Certificate to provide local exchange service "does not otherwise adversely impact the public interest." S.C. Code Ann. §58-9-280(B)(5) (Supp. 1996).

Therefore, based on the findings above, the Commission finds and concludes that the Certificate sought by GTECC should be granted.

IT IS THEREFORE ORDERED THAT:

1. The Application of GTECC for a Certificate of Public Convenience and Necessity to provide local exchange and exchange access telecommunications services in the State of South Carolina within all those territories currently served by nonrural LECs is approved.

2. GTECC shall file, prior to offering local exchange services in South Carolina, a final tariff of its service offerings. The final tariff shall include the modifications and changes as proposed by the Commission Staff and to which GTECC agreed.

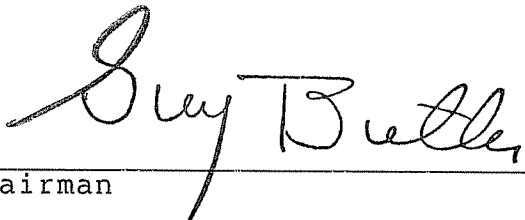
3. GTECC shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, and tests and repairs. In addition, GTECC shall provide to the Commission in

writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. GTECC shall file with the Commission the names, addresses, and telephone numbers of these representatives within thirty (30) days of receipt of this Order. (Attachment A shall be utilized for the provision of this information to the Commission.) Further, GTECC shall promptly notify the Commission in writing if the representatives are replaced. GTECC is directed to comply with all Commission regulations unless expressly waived by the Commission.

4. GTECC shall conduct its business in accordance with Commission decisions and Orders, both past and future, including, but not limited to, any and all Commission decisions which may be rendered in Docket No. 96-018-C regarding local competition.

5. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)

DOCKET NO. 97-240-C - ORDER NO. 97-786  
SEPTEMBER 12, 1997  
ATTACHMENT A

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INFORMATION OF THE AUTHORIZED UTILITY REPRESENTATIVES  
FOR INTEREXCHANGE, LOCAL AND AOS COMPANIES

PURSUANT TO SOUTH CAROLINA PUBLIC SERVICE COMMISSION  
REGULATION 103-612.2.4(b), each utility shall file and  
maintain with the Commission the name, title, address, and  
telephone number of the persons who should be contacted in  
connection with Customer Relations/Complaints.

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Company Name/DBA Name

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Business Address

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City, State, Zip Code

---

Authorized Utility Representative (Please Print or Type)

---

Telephone Number

---

Fax Number

---

E-Mail Address

---

This form was completed by

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Signature

If you have any questions, contact the Consumer Services  
Department at 803-737-5230